

STATE OF CONNECTICUT
STATE ELECTIONS ENFORCEMENT COMMISSION

In the Matter of a Complaint by Stephen Kalkowski,
Southington

File No. 2020-043

AGREEMENT CONTAINING CONSENT ORDER

This agreement by and between Ralph F. Holyst of the Town of Tolland, County of Tolland, State of Connecticut (hereinafter “Respondent”) and the authorized representative of the State Elections Enforcement Commission is entered into in accordance with § 9-7b-54 of the Regulations of Connecticut State Agencies and § 4-177(c) of the General Statutes of Connecticut. In accordance herewith, the parties agree that:

1. Complainant Stephen Kalkowski filed this complaint on July 24, 2020 alleging that the candidate committee of Jack Perry had failed to report use of a domain name that the candidate had previously purchased for a municipal election cycle. The complainant charged that the Perry candidate committee, *Perry 2020*, had failed to account for the use of that domain name when it transitioned from an exploratory committee to candidate committee in May 2020.¹ The complainant pointed to the carry-forward letter filed by the committee on May 22, 2020 with the Commission that listed prior assets that the candidate committee intended to utilize from the exploratory committee.
2. The candidate, Jack Perry, formed an exploratory committee in June 2019 to explore a run for a spot in the General Assembly.² In May of 2020, Perry transitioned to a candidate committee to support his run for state senator.³ On or about May 22, 2020, the candidate committee filed a document with the Commission describing the assets that the candidate committee planned to bring from the exploratory committee.⁴ The letter reflected a payment of \$59 made on May 18, 2020 to Nation Builder. The candidate committee later confirmed that this payment was made for web hosting.

¹ See Complaint by Stephen Kalkowski, Southington, SEEC File No. 2020-043, (SEEC), Received July 24, 2020.

² See SEEC Form 4 – Exploratory Committee Registration (*Perry 2020*, June 17, 2019) (creating exploratory committee to run for General Assembly).

³ See SEEC Form 1 – Registration by Candidate (*Perry 2020*, May 15, 2020) (registering candidate committee of Jack Perry and appointing Ralph Holyst as treasurer).

⁴ See Exploratory “Carry Forward” Letter, *Perry 2020*, May 18, 2020 (reflecting assets that candidate committee claimed from exploratory committee).

3. The candidate committee opted to participate in the Citizens' Elections Program⁵ and applied for a grant from the Citizens' Election Fund.⁶ The committee received grant funds totaling \$103,932.53 on September 2, 2020.⁷
4. Prior to the approval of the grant application for the Perry candidate committee, the Commission reviewed the allegations in this complaint. As part of the grant application process, the candidate committee agreed to designate the \$22.50 that the candidate had paid for the domain registration as personal funds of the candidate. This amount was reduced from the amount of grant funds that the candidate committee received from the Citizens' Election Fund.
5. As the Commission has noted in a prior advisory opinion, domain names that are paid for by the candidate must be allocated on a *pro rata* basis if they are going to be used by a candidate committee to promote the candidate's election or nomination for election.⁸
6. The treasurer acknowledged as part of the validation process that he had inadvertently failed to report the amount paid by the candidate for the domain registration.
7. As enumerated in § 9-7b-48 of the Regulations of Connecticut State Agencies:
In its determination of the amount of the civil penalty to be imposed, the Commission shall consider, among other mitigating or aggravating circumstances:
 - (1) the gravity of the act or omission;
 - (2) the amount necessary to insure immediate and continued compliance;
 - (3) the previous history of similar acts or omissions; and
 - (4) whether the person has shown good faith in attempting to comply with the applicable provisions of the General Statutes.
8. The Commission possesses the authority to set the punishment it metes out to individuals who violate the statutes under its authority. While the maximum penalty available under the enabling statute is \$2,000 per offense or twice the amount of any improper expenditure,

⁵ See SEEC Form CEP 10 – Affidavit of Intent to Abide by Expenditure Limits and Other Citizens' Election Program Requirements (*Perry 2020*, July 30, 2020) (reflecting intent of candidate, treasurer, and deputy treasurer to participate in Citizens' Election Program and follow voluntary program rules).

⁶ See SEEC Form CEP 15 – Citizens' Election Program - Application for Grant (*Perry 2020*, July 30, 2020) (applying for grant from Citizens' Election Fund).

⁷ See SEEC Form 30 – Itemized Campaign Finance Disclosure Statement: October 10 filing (*Perry 2020*, October 13, 2020) (reporting receipt of grant from Citizens' Election Fund).

⁸ See Advisory Opinion 2010-003: Treatment of Domain Names (State Elections Enforcement Comm'n., April, 2010).

the Commission also has the authority to set a lesser penalty where circumstances call for such leniency.

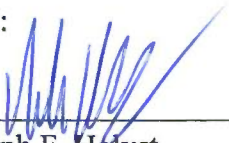
9. Although the committee failed to follow the Commission's prior guidance regarding use of domain names, the Commission opts not to impose a civil penalty on Respondent Holyst in this matter given the circumstances in this case. The amount paid for the domain name registration was less than \$23 and the treasurer and candidate agreed to designate that amount as personal funds of the candidate to bring the committee into compliance with the Commission's prior guidance in this area before the Commission approved the . In addition, the treasurer has no other violations of Connecticut's campaign finance statutes and has shown a willingness to comply with the General Statutes.
10. Respondent Holyst waives:
 - a. any further procedural steps;
 - b. the requirement that the Commission's decision contain a statement of findings of fact and conclusions of law, separately stated; and
 - c. all rights to seek judicial review or otherwise to challenge or contest the validity of the Order entered into pursuant to this agreement.
11. Upon Respondent Holyst's compliance with the Order hereinafter stated, the Commission shall not initiate any further proceedings against him related to the allegations raised in this complaint.

ORDER

IT IS HEREBY ORDERED THAT the Respondent shall henceforth strictly comply with the requirements of Advisory Opinion 2010-003 regarding the reporting of domain names.

The Respondent:

BY:



Ralph F. Holyst
607 Tolland Stage Road
Tolland, CT 06084

Dated:

12/7/20

For the State of Connecticut:

BY:


Michael J. Brandi, Esq.
Executive Director and General Counsel
And Authorized Representative of the
State Elections Enforcement Commission
20 Trinity Street, Suite 101
Hartford, Connecticut

Dated:

12/16

Adopted this 16th day of December, 2020, at Hartford, Connecticut


Commissioner

By Order of the Commission

 *Vice Chair*